Matthew W. Gissendanner Assistant General Counsel Dominion Energy Southeast Services, Inc.

220 Operation Way, MC C222, Cayce, SC 29033 DominionEnergy.com



December 23, 2019

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk/Administrator Public Service Commission of South Carolina 101 Executive Center Drive Columbia, South Carolina 29210

RE: Petition of Dominion Energy South Carolina, Inc. for an Accounting Order Related to the Installation of Advanced Metering Infrastructure Docket No. 2019 - 241 - E/G

Dear Ms. Boyd:

By Order No. 2019-878, dated December 18, 2019, in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") ordered Dominion Energy South Carolina, Inc. ("DESC" or "Company") to provide the Commission with justification for the fees in its two Smart Meter Opt-Out Riders (for both retail electric and gas service), which were submitted to the Commission for approval by filing dated December 5, 2019. The Commission also ordered the Company to also provide it with a draft copy of the Company's form for the medical waiver of the opt-out charge. In compliance with Order No. 2019-878, the Company provides the Commission the additional justification below for the fees in its two Smart Meter Opt-Out Riders and attaches hereto a draft copy of the Company's form for the medical waiver of the opt-out charge.

Smart Meter Opt-Out Service Establishment Fee

The Smart Meter Opt-Out Riders previously submitted for approval each contain a one-time Smart Meter Opt-Out Service Establishment Fee of \$168. The table below provides a breakdown of the costs covered by this one-time fee. These costs are the same regardless of electric or gas service.

One-Time Service Estab Fee	olishment
Customer Service	\$9.00
Metering Services	\$21.09
Meter Exchange	\$20.61
IT System Costs	\$117.92
Total One-Time Fee	\$168.62
Recommended Fee	
to Bill	\$168.00

For the Customer Service component of the Smart Meter Opt-Out Service Establishment Fee, the Company estimates 7 minutes and 30 seconds of total work time to establish the opt-out—an initial call of 4 minutes and 30 seconds to discuss the opt out process and generate the form and 3 minutes to process the opt out form when returned. On the initial call, the Company representative must complete account verifications, review prior communications on the account, validate whether the customer is eligible to opt out, discuss Smart Meter Technology and loss of benefits if opting out, explain the opt out process and next steps, generate the form, and wrap up the call. Once the opt out form is returned, the Company representative must reverify account details (e.g., verify the signature is same as the account name), review prior communications and reverify eligibility to opt out, and generate the service order(s) to change meters. The Company estimates a cost of \$0.02/second or a total of \$9.00 (450 seconds x \$0.02/second) for customer service associated with each opt-out.

For the Metering Services component, the Company estimates that it will take 30 minutes to prepare the opt out meter, identify the applicable meter form, configure the meter with the opt-out configuration, disable the radio, provide the nameplate identification, and ship the meter to appropriate field personnel. The Company estimates a cost of \$42.17 per hour or a total of \$21.09 (0.5 hours x \$42.17/hour) for metering services for each opt-out customer.

For the Meter Exchange component, the Company estimates 27 minutes total time to exchange the meter—12 minutes of average travel time and 15 minutes to complete the task at the site (i.e., remove the existing meter and install the new meter). The estimated labor rate for this component is \$41.60 per hour. For the travel time, the Company estimates a vehicle cost of \$1.89 and labor cost of \$8.32 (0.2 hours x \$41.60 per hour) for a total travel time cost of \$10.21. For the time at the site, the Company estimates labor cost of \$10.40 (0.25 hours x \$41.60 per hour). As such, the total meter exchange cost is estimated to be \$20.61 for each opt-out customer.

The Honorable Jocelyn G. Boyd December 23, 2019 Page 3

For the IT System Costs component, the Company estimates that IT and project management efforts will require 1487 total hours—166 hours for planning, requirements and analysis, 59 hours for design documentation, 634 hours for design and development, 177 hours for test script development, 290 hours for testing and implementation, and 161 hours for project oversight—at a total cost of \$86,788.06. DESC estimates that it will have 736 opt out customers which results in an IT System Costs component of \$117.92 per opt-out customer (\$86,788.06/736 customers).

When the components are combined, the total estimated cost for establishment of the opt-out is \$168.62. The Company is proposing to set the one-time Smart Meter Opt-Out Service Establishment Fee at \$168.

Rate Per Month

The Smart Meter Opt-Out Riders previously submitted for approval each contain a monthly charge of \$15. The table below provides a breakdown of the costs covered by this monthly charge. These costs are the same regardless of electric or gas service.

Rate Per Month	
Monthly Reads	\$13.68
Check Reads	\$0.57
Billing Customer	
Service	\$1.27
Total Monthly Fee	\$15.52
Recommended Fee to	
Bill	\$15.00

For the Monthly Reads component of the \$15 monthly charge, the Company estimates 17 minutes total time required to capture the meter read—12 minutes of average travel time and 5 minutes to complete the task at the site (i.e., capture and record manual meter read). The estimated labor rate for this component is \$41.60 per hour. For the travel time, the Company estimates a vehicle cost of \$1.89 and labor cost of \$8.32 (0.2 hours x \$41.60 per hour) for a total travel time cost of \$10.21. For the time at the site, the Company estimates labor cost of \$3.47 (0.0833 hours x \$41.60 per hour). As such, Company estimates the total Monthly Reads component to be \$13.68 for each opt-out customer.

For the Check Reads component, the Company assumes one check read every twenty-four months. The cost of a check read is equal to the cost associated with a single monthly meter read of \$13.68 detailed above. Because the Company assumes only one check read every twenty-four months, the Company estimates the Check Reads component to be \$0.57 (\$13.68/24) for each opt-out customer.

The Honorable Jocelyn G. Boyd December 23, 2019 Page 4

For the Billing Customer Service component, the Company assumes that optout customers will call on average once per year and estimates the total work time for each opt-out customer call to be 30 minutes. The Billing Specialist must open the task to determine the reason the account did not bill, review account details, review billing consumption, send task to Field with comments, review the task from Field, correct the reading and send the bill. The estimated labor rate is \$30.38 per hour, and the total cost for each billing transaction is \$15.19 (0.5 hours x \$30.38 per hour). Assuming one call per opt-out customer per year, the Company estimates the monthly Billing Customer Service component to be \$1.27 (\$15.19/12) for each opt-out customer.

The total estimated additional monthly costs for meter reads, check reads, and billing services as a result of the opt-out is \$15.52. The Company is proposing to set the monthly charge at \$15.

Based on the foregoing, and the information provided in the December 5, 2019 filing, the Company would respectfully request approval of the two Smart Meter Opt-Out Riders (for both retail electric and gas service) by January 31, 2020, to support deployment of this technology in the field, which is scheduled to begin during the second quarter of 2020.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff ("ORS") with this additional fee justification and draft copy of the Company's form for the medical waiver of the opt-out charge.

If you have any questions, please advise.

Very truly yours,

Matthew W. Gissendanner

MWG/kms Enclosure

cc: Jeffrey M. Nelson, Esquire

(via electronic and U.S. First Class Mail w/enclosure)

Dominion Energy South Carolina, Inc. PO Box 100255 Columbia, SC 29202 DominionEnergySC.com



Smart Meter Upgrade Opt Out Medical Waiver

Bm_Bill_Addr_Line1
Bm_Bill_Addr_Line2
Bm_Bill_Addr_Line3
Bm_Bill_Addr_Line4
Bm_Bill_Addr_Line5
Bm_Bill_Addr_Line6

DATE ISSUED:

Account Number: x-xxxx-xxxx-7258
Service Address: Bm_Service_Addr

Home Telephone: Phone 1
Alternate Telephone: Phone 2

Dominion Energy South Carolina is upgrading meters in our service territory. We will be exchanging the existing electric meter with a smart meter capable of transmitting readings, in addition to other remote capabilities. If there is also a gas meter at this residence, the Electronic Relay Transmitter that is currently on the gas meter will be exchanged as well. Our customer listed above is requesting to maintain a manually read meter rather than allow our company to use meters which use radio frequency. As allowed by Public Service Commission of South Carolina Order Nos. 2019-622 and 20__-__, customers of Dominion Energy South Carolina must pay an installation fee of \$168.00 as well as monthly fee of \$15.00 to offset the charges associated with this manual process. To qualify for a waiver of these charges, customers must present Dominion Energy South Carolina with written documentation, by way of a signed and certified Medical wavier form, from a medical doctor, licensed in the state of South Carolina. This waiver should be: 1) completed and signed by the physician's office and 2) returned by the physician's office using one of the methods outlined below. Once returned, all future charges associated with opt out will be waived.

		Patient Information	on		
F	ailure to complete t	this application in its enti	rety will delay	processing.	
By signing below, I authorize D stated below.	ominion Energy Sout	th Carolina to contact my h	ealthcare provi	der concerning my me	dical condition
Patient Name:		Patient SSN (last	4 digits):	Date of Birt	h:
Patient Telephone:		Relationship to A	ccount Holder:		
Patient or Guardian Signature:		Da	ate:		
Account Holder Signature:		Date:	Contact I	Phone Number:	
	Ple	thcare Provider Inf ease complete the following inf			
		A TANK			
				Patient's Address	hat utilizes rad
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DATE DUE: